

KENTUCKY AGRICULTURAL DEVELOPMENT FUND UPDATE

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UPDATE** 4*Cultivating rural
prosperity*

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ADF Meeting in Review

At its January and February meetings, the Kentucky Agricultural Development Board approved just over \$3.2 million in diversification projects for Kentucky agriculture.

Eighteen non-model projects were approved for \$648,709 in county funds and \$191,500 in state funds. These projects ranged in scope from farmer computer training to local farmers' market development.

The balance of funds (\$2.4 million) approved were for 11 of the 13 county model programs. County model programs provide farmers with cost-share funds to improve and diversify their current enterprises.

Agricultural Diversification

\$179,124 / 4 counties

Cattle Genetics Improvement

\$341,899 / 9 counties

Cattle Handling

\$510,970 / 9 counties

Dairy Diversification

\$10,000 / 1 county

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Former Agricultural Development Board Members Susan Harkins (middle) and Eddie Sellers (left) were recognized at the Annual Meeting for their contributions & service to the Agricultural Development Board and Kentucky agricultural diversification efforts.

ANNUAL MEETING AWARDS

January 20 marked the 3rd Annual Meeting of the Kentucky Agricultural Development Fund. The purpose of the 2005 KADF Annual Meeting was to foster a greater awareness of the agricultural development process and the policies and programs of the Agricultural Development Fund.

One highlight for the event was the Awards Luncheon, which provided an opportunity to recognize County Agricultural Development Council members, county extension agents, and program administrators for their service and contributions in 2004.

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ADF Board Meetings in Review

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Fencing Improvement

\$464,887 / 5 counties

Forage Improvement

\$325,838 / 8 counties

Goat Diversification

\$63,749 / 5 counties

Hay, Straw, Commodity Storage

\$320,400 / 6 counties

On-farm Water Enhancement

\$106,000 / 3 counties

Shared-use Equipment

\$15,361 / 2 counties

Technology

\$46,000 / 1 county

At the January meeting the Board heard presentations from the Fayette County Purchase of Development Rights (PDR) program, as well as Sy-

gen, parent company of Pig Improvement Corporation USA.

The Fayette County PDR presentation provided an update on the program, which had received \$15 million of a conservation easement bond from Agricultural Development Funds.

The Sygen presentation was an informative look into a potential new area for Kentucky aquaculture, low-salt marine shrimp raised indoors.

At the February meeting the Board reviewed the first round of applications for the *2005 Farmers' Market Competitive Grant Program*.

Five farmers' markets totaling \$203,001 were approved in this first round of funding.

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Model Program Update: Reporting

SHARED-USE EQUIPMENT

To date the Agricultural Development fund has supported over 50 shared-use equipment projects both through the model programs and as non-model projects.

There has been some confusion on how to handle reporting for shared-use equipment. There is a separate summary report for shared-use equipment, which is submitted on quarterly, until the equipment is purchased, and then annually thereafter. The length of time required to report on this equipment will depend on the legal agreement

signed by the program administrator.

Most equipment purchased for shared-use has a useful life between three and seven years. The administrator's legal agreement should state how long they are required to maintain the equipment, which is the same length of time for reporting.

If for some reason the length of ownership is not specified, then the program administrator should feel free to contact our office to determine the length of time required for reporting. Shared-use reporting forms are available at our website <http://agpolicy.ky.gov/funds/>.

COUNTY MODEL PROGRAMS

Cumulative Totals
2001-2005

Agricultural Diversification

Est. September 2001

\$9,690,750 / 85 Counties

Cattle Genetics

Est. February 2001

\$9,943,978 / 104 Counties

Cattle Handling

Est. June 2001

\$15,660,82 / 102 Counties

Dairy Diversification

Est. December 2004

\$10,000 / 1 County

Fencing Improvement

Est. March 2003

\$5,134,799 / 49 Counties

Forage Improvement

Est. March 2001

\$17,468,382 /
101 Counties

Goat Diversification

Est. August 2001

\$2,941,214 / 87 Counties

Hay, Straw, & Commodity

Est. November 2002

\$12,967,356 / 89 Counties

On-farm Water

Est. March 2003

\$964,515 / 16 Counties

Technology

Est. December 2004

\$46,500 / 1 County

2005 Annual Awards

(Continued from page 1)

The foundation of the cultural change in Kentucky's agriculture community has been the grassroots efforts of the County Agricultural Development Councils. Council members were nominated by their fellow council members and extension agents from across the Commonwealth. One Council Member from each of the seven Extension Districts was chosen as **Council Member of the Year**. [see right insert]

County Extension agents have taken on the challenge of leading the County Councils and becoming the liaison between the Council and the state Agricultural Development Board. Michael Phillips, Extension Agent for Nicholas County, was chosen as **Outstanding Extension Agent of the Year**. Phillips has been an adviser to the Nicholas County Agricultural Development Council, since its inception, and has played a key role in establishing the model programs for Nicholas County.

The success of the county model programs depends on local organizations volunteering their time and skills administering these programs. Renee Walters, Green River Area Beef Improvement Group (GRABIG), was selected as the **Outstanding Model Program Administrator**, based upon her exemplary record keeping skills and her continued communication with the Board's staff.



Board members Rodney Dick, Donna Amburgey, and Jim Mahan listen to audience questions, during the ADB Panel Session at the 2005 KADF Annual Meeting.

The **Innovations in Agriculture Award** recognizes those groups and individuals working to keep the entrepreneurship spirit alive and flourishing in Kentucky agriculture. The two projects selected to receive this award were McDowell Farm Salsa and Roundstone Native Seed.

Randy and John Seymour's interest in native warm season grasses started over ten years ago with the discovery of remnant stands of grass on their 1800-acre family farm. In what began as an effort to restore the native heritage of their own lands, this father son team created Roundstone Native Seed which has grown to be the largest producer of native warm season grasses in the South.

Carla McDowell and Belinda Neff, known as the Salsa Sisters, have taken a family recipe and turned it into red gold with their McDowell Farm Salsa. Carla and Belinda were the first home-based certified microprocessors in Kentucky, but the success and subsequent demand for McDowell Farms Salsa quickly had the Salsa Sisters looking beyond home-processing.

COUNTY COUNCIL MEMBERS OF THE YEAR

District 1

Avavan Williams
Magoffin County

District 2

Beth Tillery
Jackson County

District 3

Ed Nelson
Henry County

District 4

John Cleaver
Nicholas County

District 5

Jeff Settles
Washington County

District 6

Ottie Pantle
Daviess County

District 7

David Draper
Christian County

*Thank you for your
commitment & service.*

Board Meeting Review

(Continued from page 2)

- Anderson County Farmers' Market Association
- Bullitt County Conservation District
- Carter County Extension District Board
- Nelson County Horticulture Advisory Board / Nelson County Fiscal Court
- Russell Neighborhood Development Authority, Inc.

The *2005 Farmers' Market Competitive Grant Program* is a \$1.5 million grant program for regional and community farmers' markets across the Commonwealth. The available funds are divided into the following investment areas: \$975,000 for regional markets (65%); \$375,000 for community markets (25%); and \$150,000 for market feasibility studies (10%). The deadline for the next round of competitive farmers' market grants is July 1, 2005.

Phase II Update

RALEIGH, Mar. 8 2005 - Attorneys for the Grower States appealing the lower court's decision on the status of Phase II 2004 payments, filed a brief today in the North Carolina Supreme Court. The Tobacco Companies have thirty days to file their response to the brief.

Visit tobaccotrust.ky.gov/phase_ii/ for update as they become available.



2005 Agent of the Year, Mike Phillips (left), accepts award from Keith Rogers.

USDA Tobacco Payment

WASHINGTON, Feb. 14 2005—Agriculture Secretary Mike Johanns announced that sign-up for the Tobacco Transition Payment Program, commonly called the “Buyout Payment”, will begin March 14, 2005 and extend through June 17, 2005.

Quota holders who will be eligible for payment are those who owned a farm on October 22, 2004, to which a tobacco quota was assigned. The payment rate for these quota holders is \$7.00/lb. based on their BQL at the 2002 marketing year level. Producers receive \$3.00/lb. times the BQL based upon the producer's share of the risk incurred for 2002, 2003, or 2004 crops. Payments will be made in 10 annual installments, but may be assigned or a successor-in-interest to the contract may be permitted.

For more information, contact your local USDA Service Center, the National Tobacco Call Center at 1-866-887-1040, or the Farm Service Agency website:

<http://www.fsa.usda.gov/tobacco>.

GOAP WEBSITE UPDATES

County Account Availability (2/18/2005) posted:

<http://agpolicy.ky.gov/funds/availability.shtml>

ADF Board Meeting

Details updated:

<http://agpolicy.ky.gov/board/meetings.shtml>

Calendar updated:

<http://agpolicy.ky.gov/calendar.shtml>

Educational Events &

Festivals Calendar:

<http://agpolicy.ky.gov/kcade/education.shtml>

agpolicy.ky.gov

FUTURE MEETINGS

KADF Board Meeting

Friday, March 18

9:30 a.m.

Frankfort

Tobacco Settlement Oversight Committee

Wednesday, March 16

1:00 p.m.

Frankfort

KY Ag. Finance Corporation

Friday, April 1

Frankfort

Meeting locations & times subject to change